



United States Department of State

*Washington, D.C. 20520*

The Honorable  
Debbie Dingell  
House of Representatives  
Washington, DC 20515

MAR 11 2016

Dear Ms. Dingell:

Thank you for your March 1 letter regarding Plains LPG Services, L.P. (Plains) in which you requested we allow time for additional public comments before proceeding with our review of Plains' application for a new Presidential Permit for two pipelines built in 1918 under the St. Clair River. You also stressed the importance of ensuring protection of the Great Lakes as a source of drinking water, jobs, recreation, and biodiversity. We appreciate your concern that various individuals and organizations, including stakeholders such as local residents, environmental groups, academics, local governments, and industry, have indicated that they were unaware of the opportunity to comment during the initial public comment period and would weigh in with a multitude of concerns if given the opportunity. The Department of State (the Department) has decided to reopen the public comment period for an additional 30 days, starting on the day the announcement is published in the Federal Register.

As you may know, on May 23, 2014, the Department issued two Presidential Permits to Plains based on Plains' acquisition of six existing pipelines under the St. Clair River and one existing pipeline under the Detroit River. Plains had applied for new permits reflecting its ownership of the pipeline facilities, but it did not seek any change or expansion of the previous authorizations for the pipelines' use. The Presidential Permits issued in 2014 were intended to mirror previous authorizations from the 1970s, but the Department's records were incomplete, particularly with regard to the six pipelines under the St. Clair River in the vicinity of Marysville, Michigan. While Plains' application asserted that the appropriate authorization was for the transport of any "liquefied hydrocarbons," the Department issued one permit in 2014 for all of the St. Clair facilities authorizing the transport of "light liquid hydrocarbons," which reflected the Department's understanding of how the St. Clair pipelines were actually used in the 1970s and more recently.

After the new permits were issued, Plains provided new information that alters the Department's understanding of the historic authorization for two of the six St. Clair pipelines. These two pipelines were constructed in 1918; they have an outer diameter of eight inches and have subsequently been fitted with five-inch diameter liners. Specifically, Plains provided the Department with copies of correspondence from 1971 between the Department and Dome Petroleum Corp. (the previous owner). In that correspondence Dome informed the Department that it had acquired the two St. Clair pipelines and that it planned to use them to transport "crude and other liquid hydrocarbons." The Department wrote back to Dome acknowledging the letter and the company's plans. The 1918 Presidential Permit had authorized the transport of crude oil.

In light of this additional information, the Department is revisiting Plains' 2012 application and considering whether to issue a new permit for these two St. Clair pipelines that would authorize the transport of crude and other liquid hydrocarbons, superseding the authorization in the 2014 Presidential Permit for the transport of only light liquid hydrocarbons.

Applications for transfers of ownership are relatively common – the Department has issued 12 Presidential Permits pursuant to ownership transfers since 2009. As outlined in Department Public Notice 5092 ("Procedures for Issuance of a Presidential Permit Where There Has Been a Transfer of the Underlying Facility, Bridge, or Border Crossing for Land Transportation"), the Department does not typically conduct an environmental review in the case of transfer of a Presidential Permit unless information is brought to its attention for example by public comment or during the interagency review in connection with the application process that the transfer potentially would have a significant impact on the quality of the environment.

We hope this information is helpful. Please do not hesitate to contact us again if we can be of any further assistance on this or any other matter of concern.

Sincerely,



Julia Frifield  
Assistant Secretary  
Legislative Affairs